



1 October 2015

Research Director
Utilities, Science and Innovation Committee
Parliament House
George Street
Brisbane QLD 4000

Via email: usic@parliament.qld.gov.au

Dear Ms McGuckin,

The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide a submission to the Utilities, Science and Innovation Committee (the Committee) as part of the review of the *Energy and Water Ombudsman Amendment Bill 2015* (the Bill). CCIQ believes it is crucially important that Queensland small business have access to the Energy and Water Ombudsman more broadly.

CCIQ supports the Queensland Government's intention to increase the consumption threshold for access to the Energy and Water Ombudsman Queensland (EWOQ) services following a review of access arrangements to this service. This review arose out of long standing concern that high energy using small business (HESB) customers receive less attention and support compared to large business and residential customers, even though there is evidence that many of these small business customers do not have the expertise or resources to adequately represent their interests or negotiate with their energy retailer.

Small business and their employees are the heart of the Queensland economy and the driving force behind our thriving local communities. Small business makes up 97 per cent of all businesses in Queensland. The small business community makes up a sizeable proportion of all electricity consumers in Queensland.

CCIQ has long been concerned over the lack of advocacy and dispute resolution services available to small and medium business consumers of electricity. CCIQ highlights that often there is not a linear relationship between the size of a business and their energy use. Many businesses categorised as small and medium in terms of their number of employees and annual turnover are categorised as large businesses in terms of their electricity consumption.

Energy and its relevance to small business

CCIQ has previously conducted a survey of its members to gather important information about business energy use and the impact of cost increases. The survey found that there are many small and medium businesses that employ less than 20 people but consume more than 100MWh, which classifies them as a 'large' business consumer. The survey also highlighted concerns with respect to customer service, billing complaints, contract conditions and basic account information provided by retailers to their small and medium business customers.

Due to Queensland's 100MWh per annum threshold, many small and medium business owners currently cannot access the mediation and support services provided by EWOQ, however these businesses often do not have the resources or expertise to adequately represent their interests or negotiate equally with energy companies. By lifting the threshold to higher levels in Queensland, a greater majority of small and medium businesses would be able to access the EWOQ services.

Queensland Electricity Reforms


The Queensland Government has committed to deregulate retail electricity prices in South East Queensland in July 2016. Adequate consumer protections will need to be in place ahead of this change to ensure that small business customers are in a good position to operate in a contestable market.

Small business customers are often overlooked when providing consumer protection mechanisms. CCIQ emphasises the need for the State Government to ensure small business customers are adequately equipped with the necessary safety nets ahead of reforms.

Accordingly CCIQ welcomes the Bill that introduces a new type of eligible customer with a free and independent dispute resolution service for customers that are unable to resolve a dispute with their energy retailer. This will ensure high energy using small business customers in Queensland are on a more level playing field, by enjoying access to the same electricity dispute resolution services as other small businesses. CCIQ commends this Bill to the Utilities, Science and Innovation Committee.

CCIQ would welcome the opportunity to discuss this matter with you further.

Sincerely,



Nick Behrens

Director of Advocacy and Workplace Relations